STATEMENT OF THOMAS CHRISTENSEN DIRECTOR, ANIMAL HUSBANDRY AND CLEAN WATER PROGRAMS USDA NATURAL RESOURCES CONSERVATION SERVICE BEFORE THE

HOUSE COMMITTEE ON AGRICULTURE SUBCOMMITTEE ON DEPARTMENT OPERATIONS, OVERSIGHT, NUTRITION AND FORESTRY

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Mr. Chairman and members of the Committee, thank you for inviting me to appear before you today to join William Hathway, Director of the Water Quality Protection Division of the Environmental Protection Agency (EPA), Region 6, to discuss EPA's proposed rules on Total Maximum Daily Loads (TMDL).

USDA shares this Committee's commitment to cleaning the waters of the United States and building on successes in reducing water pollution over the past several decades. To some degree, those accomplishments were the easy part. The remaining pollution concerns, as highlighted in the President's Clean Water Action Plan which EPA and USDA helped prepare, are nonpoint sources of pollution such as soil erosion, urban runoff, pollutants from animal feeding operations and other sources that do not come from the end of a pipe. Addressing these nonpoint sources is the great challenge that remains to further improve our waters to make them fishable and swimmable for all Americans to enjoy.

To accomplish these next steps in cleaning our waters will take a concerted effort from farmers, ranchers, and forest landowners, as well as urban and suburban residents. Notwithstanding the work that remains, farmers, ranchers, and foresters have been working for years to reduce the effects of their operations on water quality. Much has been achieved in this regard using many of the conservation tools that the Congress and Department wrote into the 1985, 1990, and 1996 Farm Bills.

For example, the Conservation Reserve Program (CRP) has been an extremely effective tool in reducing erosion on highly erodible lands. Continuous sign-up of buffer practices under CRP has become an important part of water quality protection. The Wetlands Reserve Program and the Environmental Quality Incentives Program (EQIP) have benefited thousands of farmers and ranchers and helped them improve the environment by reducing soil erosion and runoff into streams and rivers. The Conservation Reserve Enhancement Program (CREP) is playing an important role in protecting the waters of the Chesapeake Bay, salmon habitat in Oregon and Washington, and drinking water supplies for New York City. The President's FY 2001 budget request includes \$1.3 billion above currently authorized levels to

bolster our agriculture conservation programs. We are proud of agriculture's and forestry's contributions to the nation's efforts to clean our waters, while recognizing that we can and should do more.

At a recent field hearing on TMDLs in North Carolina, Chairman Goodlatte, Congressman Ewing and Congressman Hayes called for a reasonable and responsible TMDL program structured around sound science, cost sharing and voluntary measures and programs. USDA and EPA agree and have worked closely together to achieve these principles. In February, the Secretary of Agriculture testified before the US Senate on this issue- he said, I quote:

"I believe the TMDL rule should recognize the best management practices of America's farmers, ranchers and foresters; second, the rule should be more clearly constructed and should minimize adverse effects on agriculture and silviculture operations; and third, it should allow for reasonable timeframes for planning and implementation."

As you know, in January of this year USDA Under Secretary James Lyons and EPA Assistant Administrator Charles Fox established an interagency workgroup of senior staff to review key issues. The group worked from January through the Spring and came to the agreement that has been reflected in a Joint Statement that was issued by EPA/USDA May 1st. Subsequent to that time EPA determined not to include forestry provisions in the TMDL regulation to be finalized this Summer. I expect EPA to repropose provisions related to forestry later this Fall along the lines agreed to in the agreement.

I want to briefly highlight the aspects of the joint agreement pertinent to agriculture and forestry. Both agencies decided that giving local citizens and state governments the most say in how pollution budgets are established for impaired waterways would have the greatest measure of success. The agreement grants States more flexibility in setting priorities, more time to develop lists of impaired waters, and simplifies listing requirements, dropping a requirement that "threatened waters" be listed. States will have 15 years to develop TMDLs for their impaired waters. .

Most importantly from the standpoint of agriculture, EPA and USDA agree that voluntary and incentive-based approaches, such as the water quality improvements that farmers make through federal conservation programs or on their own initiative, will be given due credit in the development of TMDLs.

USDA believes the agreement reached with EPA in May is a significant improvement over the August proposal and that it is workable for agriculture and forestry. Clearly though, given the public response on both sides (foresters, loggers, and the environmental community),

there is more discussion that needs to take place with the public on forest water quality issues. So, USDA supports EPA's decision not to include the forestry provisions in the TMDL rule to be finalized this Summer, but rather to further engage stakeholders and to repropose the forestry provisions separately later this Fall. USDA will continue to work with EPA as it decides how best to proceed to address the important forestry issue.

Adequate funding of the programs that will help landowners address TMDLs is key to their success. The EPA is currently developing estimates of the overall cost of the TMDL program and the analysis will be available when the final rule is published. USDA agricultural conservation programs are dramatically enhanced by the Farm Safety Net proposal in the FY 2001 budget. The Environmental Quality Incentives Program (EQIP) would be increased from \$200 million to \$325 million. The Conservation Reserve Program (CRP) would be expanded to 40 million acres. Under our current authority, USDA is increasing CRP continuous sign up incentives by \$100 million in FY 2000 and \$125 million in each of fiscal years 2001 and 2002. The Wetlands Reserve Program (WRP), which will reach its statutory 975,000 acre cumulative cap in FY 2001, would enroll 250,000 acres annually. Finally, under the President's budget, a new \$600 million Conservation Security Program would be funded and will provide annual payments to farmers and ranchers who voluntarily implement various conservation practices, many of which will benefit water quality.

However, in both House and Senate appropriation bills, a provision has been inserted limiting FY 2001 EQIP funding to \$174 million, \$151 million less than the President's Budget and \$26 million below its authorized level. Congress also has not authorized additional funding for WRP, CRP, or the new Conservation Security Program, as requested by the President. As the Congress completes its work on the FY 2001 Appropriations Bill, we strongly urge Congress to drop the objectionable EQIP provision and fully fund these important programs that can provide State and local partners the tools to successfully build their TMDL programs.

USDA believes outreach, education, and technical assistance to communities will play decisive roles in these efforts to improve water quality. USDA and the EPA believe the final TMDL rules must be fair, clear, and provide farmers with greater certainty. With this in mind, USDA is working diligently with the EPA to achieve these goals.

Mr. Chairman, I thank you for this opportunity to appear before your Committee on behalf of USDA. We welcome the opportunity to discuss the issues and respond to your questions.